

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

LUXOTTICA GROUP S.p.A. and OAKLEY, INC.,)	
)	Case No. 16-cv-00487
)	
Plaintiffs,)	Judge Manish S. Shah
)	
v.)	Magistrate Judge Sheila Finnegan
)	
HAO LI, et al.,)	
)	
Defendants.)	
)	

**PLAINTIFFS’ REPLY IN SUPPORT OF THEIR MOTION FOR SUMMARY
JUDGMENT AND A STATUTORY DAMAGES AWARD AS TO THE
DEFENDANT IDENTIFIED BY AND OPERATING AT LEAST THE INTERNET
STORES DEALSGOING, SFCDIRECT AND UPTOGETHERTEK**

Plaintiffs Luxottica Group S.p.A. and Oakley, Inc. (collectively, “Luxottica” or “Plaintiffs”) submit the following reply in support of their Motion for Summary Judgment and a Statutory Damages Award as to the Defendant identified by and operating at least the Defendant Internet Stores dealsgoing, sfcdirect and uptogethertek (“Defendant”) [69].

INTRODUCTION

Defendant operates highly trafficked eBay Internet Stores advertising, offering for sale and selling products using counterfeit reproductions of Luxottica’s registered, famous and well-known WAYFARER trademark. Defendant does not dispute that Luxottica has proven a *prima facie* case of trademark infringement, including not disputing that Luxottica is the exclusive owner of the WAYFARER trademark for sunglasses, that Luxottica’s WAYFARER trademark provides Luxottica the exclusive right to use WAYFARER in commerce and that Luxottica has established a likelihood of confusion. *See* Defendant’s Local Rule 56.1(b)(3) Responses to

Plaintiffs' Statements of Undisputed Material Facts (the "Rule 56.1(b)(3) Response") [85] at ¶¶ 1-5.

Rather, Defendant attempts to argue that its use of WAYFARER is descriptive. [86] at pp. 6-9. However, the term WAYFARER does not describe Defendant's sunglasses or any of their components or characteristics. Furthermore, and contrary to Defendant's representations, the user must manually type "wayfarer" into an eBay item title field. Likewise, screenshots previously filed by Luxottica confirm that Defendant selected "square" as the type of sunglasses from the list of available eBay categories.

Defendant's "innocent infringer" rhetoric is further contradicted by the fact that Defendant admits its familiarity with United States Patent and Trademark Office ("USPTO") and trademark searching, which would have quickly identified Luxottica's WAYFARER trademark registration. Defendant's many misrepresentations, contradicting sworn statements between the affidavit filed in this case and in *Richemont International SA, et al. v. Luo Liang, et al.*, No. 16-cv-01227 (N.D. Ill. Mar. 17, 2016), and a complete lack of evidence also show bad faith intent. *See infra* Section II.A.

Counterfeiting is a widespread and massive problem for the Luxottica brand, as well as other famous brands, in part due to vast numbers of online sellers from China. *See, e.g.*, [13] at ¶¶ 2-4. "Small local businessmen of good reputation do not have a license to steal trademarks from large non-resident corporations....." *General Elec. Co. v. Speicher*, 877 F.2d 531, 537 (7th Cir. 1989). It is important that the Courts make it painfully clear to counterfeiters, as Congress has provided, that substantial damage awards will be assessed, so that word will begin to spread that counterfeiting is not a risk and consequence free road to riches. This Court's award must be "adequate to deter future infringement, intentional or unintentional, by the defendant and others

similarly situated.” *See Bulgari, S.p.A. v. Zou Xiaohong, et al.*, 2015 U.S. Dist. LEXIS 140606, at *7 (awarding \$100,000 for five units or \$2.50 gross profits in represented sales). Brand owners, such as Luxottica, should not be limited to obtaining damage awards because counterfeiters, such as Defendant, fail to provide any evidence of their illegal activity. As such, Luxottica requests that this Court award \$90,000 in statutory damages as authorized by 15 U.S.C. § 1117(c)(2) along with mandatory attorney fees and costs.

ARGUMENT

I. THERE IS NO GENUINE ISSUE OF MATERIAL FACT THAT DEFENDANT IS LIABLE FOR TRADEMARK COUNTERFEITING

A. Defendant Does Not Dispute that Luxottica Has Proven a *Prima Facie* Case of Trademark Infringement and Counterfeiting

Defendant does not dispute that Luxottica owns U.S. Registration No. 595,513 for the WAYFARER mark (hereinafter, the “WAYFARER Trademark”), Luxottica’s registration for the WAYFARER Trademark is valid, subsisting, and in full force and effect, and that Luxottica has the exclusive right to use the mark in commerce. Rule 56.1(b)(3) Response [85] at ¶ 1. Defendant also does not dispute that Luxottica has not authorized or licensed the Defendant to use the WAYFARER Trademark on the Defendant Internet Stores, or that Defendant is not an authorized retailer of genuine Luxottica products, and the products offered for sale on the Defendant Internet Stores are not genuine Luxottica products. Rule 56.1(b)(3) Response [85] at ¶ 5. Further, Defendant does not argue that Defendant’s use of the WAYFARER Trademark in connection with the sale of unauthorized goods does not create a likelihood of confusion. *See Microsoft Corp. v. Rechanik*, 249 F. App’x 476, 479 (7th Cir. 2007) (there is a presumption of a

likelihood of confusion when counterfeit marks are involved). As such, it is undisputed that Luxottica has proven a *prima facie* case of trademark infringement and counterfeiting.¹

B. Defendant's Intent Is Not an Element of a Trademark Counterfeiting Claim

Defendant disputes Luxottica's use of the term "counterfeit" and "clarified [sic] for lack of intent to infringe" in its Response [85] to Plaintiffs' Rule 56.1 Statement of Facts. However, Defendant's unauthorized mark is a spurious mark which is identical with, or substantially indistinguishable from, the registered WAYFARER Trademark, and thus is counterfeit. 15 U.S.C. § 1127 (definition of counterfeit). There is no intent requirement for trademark counterfeiting. *Lorillard Tobacco Co. v. Div. & Noble Amoco Corp.*, 390 F. Supp. 2d 678, 682 (N.D. Ill. 2005) (granting summary judgment on trademark counterfeiting claim, explicitly noting that the Lanham Act provision on liability makes no mention of intention); *Tony Jones Apparel, Inc. v. Indigo USA LLC*, 2005 U.S. Dist. LEXIS 14649, at *19 n.11 (N.D. Ill. July 11, 2005) ("[w]hile intentional infringement may lead to enhanced statutory damages, it is not required to prove a defendant's liability."). The fact that 15 U.S.C. § 1117(c), entitled "Statutory Damages for Use of Counterfeit Marks," has ranges for both non-willful and willful infringement further confirms that intent is not an element of a trademark counterfeiting claim.

C. Defendant's Use of a Counterfeit WAYFARER Trademark in Connection with the Sale of Unauthorized Sunglasses Is Not Fair Use

Defendant argues that its use of a counterfeit WAYFARER Trademark is fair use because it is "using a mark in a way to describe its product." [86] at p. 7. For this defense, Defendant must show that (1) its use is "otherwise than as a trade or service mark," (2) the contested term is descriptive of its goods, and (3) that it is using the term fairly and in good faith to describe their

¹ Defendant requested "judgment in its favor." [86] at p. 5. However, Defendant did not move for Summary Judgment on non-infringement. As such, Defendant's request is improper.

goods to users. *Navistar Int’l Transp. Corp. v. Freightliner Corp.*, 1998 U.S. Dist. LEXIS 22155 (N.D. Ill. Sept. 16, 1998) (holding that “eagle” was not descriptive of a fire truck).

Defendant’s use of the word “wayfarer” clearly fails this test. First, Defendant’s use of WAYFARER is in the product title of an item for sale where source identifiers are traditionally used – “Wayfarer Fashion Sunglasses....” A word functions as a trademark when it is “used by a source of a product to identify itself to the public as the source of its product and to create in the public consciousness an awareness of the source and of its products.” *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947, 953 (7th Cir. 1992) (internal quotations omitted). Defendant prominently uses WAYFARER in the product title as an “attention-getting symbol,” and as a way to drive eBay traffic to its listings. *See id.* at 954 (holding Defendant’s use of “Thirst Aid” prominently in advertising as “attention-getting symbol” was trademark use). As such, Defendant fails to satisfy the first element.

For the second element, the term WAYFARER does not describe Defendant’s sunglasses or any of their components or characteristics. In the distinguishable case *Sunmark, Inc. v. Ocean Spray Cranberries, Inc.* cited by Defendant, the defendant used “sweet-tart,” to advertise cranberry juice – a product having both attributes of sweetness and tartness. 64 F.3d 1055, 1058 (7th Cir. 1995). Both “sweet and tart are words of description in ordinary English, quite unlike words such as ‘Exxon’ or ‘Kodak.’” *Id.* In contrast, WAYFARER is not a word of description in ordinary English for sunglasses. The definition for WAYFARER in the Merriam-Webster dictionary is “a traveler especially on foot.” *Wayfarer*, Merriam-Webster, <http://www.merriam-webster.com/dictionary/wayfarer>.

Defendant purports that it selected “Wayfarer” as its eBay category listing. *See* [86] at pp. 6-8; [85] at ¶¶ 2-4, 6 (“Defendant merely selected one of the eBay categories available for

the listing”). However, the eBay product “title” is a free-form, manual entry field. Declaration of Allyson Martin (the “Martin Dec.”) at ¶ 3. Defendant did not simply “select” “wayfarer.”

The screenshot shows the eBay category selection process. At the top, it says "Your item will be listed in this category:" followed by a breadcrumb trail: "Clothing, Shoes & Accessories" > "Unisex Clothing, Shoes & Accs" > "Unisex Accessories" > "Sunglasses & Fashion Eyewear" > "Sunglasses". Below this is a section titled "Describe your item" with a text input field. The "Title" field contains the text "wayfarer fashion sunglasses".

Figure 1

Further, eBay does not currently list “Wayfarer” in the eBay category listing selection. Martin Dec. at ¶ 4. The excerpt in Figure 2 below shows that the sunglasses eBay drop-down menu under “style” does not include “wayfarer.” *Id.* Defendant submits an affidavit² with Attachment I purporting to show “wayfarer” listed as a style on eBay. The affiant, John Z. Sun, does not authenticate Attachment I, and the screenshots otherwise have no circumstantial indicia of authenticity: the image shown in Attachment I is closely cropped (without showing a URL or even the eBay logo), and Attachment I has no indication of the date on which it was captured. [84-1]. As such, Defendant provides no admissible evidence to verify what style filters were available when Defendant listed its products.

The screenshot shows the "Item specifics" section of an eBay listing. It includes dropdown menus for "Gender", "MPN", and "Brand". Below these is a "Style" dropdown menu. The "Style" menu is open, showing a list of options: "Enter your own", "Aviator", "Designer", "Oval", "Rectangular", "Rimless", "Round", "Shield", "Sport", "Square", and "Wrap". The "Lens Technology" section is partially visible at the bottom.

Figure 2

² The affidavit is not notarized, and therefore is more properly characterized as a declaration. Further, the affidavit is not admissible pursuant to Fed. R. Civ. P. 56(c)(4) and Fed. R. Evid. 602, as explained in this Reply. See *infra* Section II.A.ii.

Notwithstanding the insufficiencies of Defendant's affidavit and attachments, and even if "wayfarer" was listed as a style filter at the time the product was listed, Luxottica's previously submitted evidence confirms that Defendant selected "Square" as a style filter:

Item specifics			
Condition:	New with tags: A brand-new, unused, and unworn item (including handmade items) in the original packaging (such as ... Read more	Frame Color:	Black
Frame Material:	Plastic	Lens Color:	Black
MPN:	Does not apply	Style:	Square
Country/Region of Manufacture:	China	Brand:	/
Lens Technology:	/	Protection:	/

Figure 3

See [72-2] at p. 6; [72-3] at p. 6; [72-4] at p. 6. Defendant cites public policy reasons in support of its affirmative defense, such as that it has the "right to the use of the English language and has got a right to assume that nobody is going to take that English language away from him." [86] at p. 7. However, Defendant could use and did use another English word, "square," to describe the style of its sunglasses, so the policy behind the fair use defense does not apply here. Likewise, Defendant, well aware of Luxottica's trademark rights, manually inputted WAYFARER into the product title to identify its sunglasses when creating the product listings. As such, Defendant is also using Luxottica's WAYFARER Trademark in bad faith.

Defendant also argues that the use of WAYFARER "has become so commonplace on eBay and other internet retailers that it is common parlance to describe the shape of sunglasses." [86] at p. 8. Defendant points to "large retailers" such as eBay and Wal-Mart using WAYFARER without designating RAY-BAN. However, in Defendant's screenshot of Walmart.com, both of the circled listings are sold and shipped by third parties, not Wal-Mart.³ [84-1] at p. 7. Similarly, the unauthorized products sold on eBay using the WAYFARER Trademark are sold and shipped by third parties. Luxottica vigorously enforces against use of

³ Defendant's Attachment IV to the Affidavit of John Z. Sun is not authenticated, and therefore, also inadmissible.

the WAYFARER Trademark, as evidenced by this case and other enforcement efforts. In the past fifteen months alone, Luxottica took down over 500,000 online marketplace listings, including tens of thousands of listings using counterfeit versions of its WAYFARER Trademark to sell products not authorized by Luxottica. Stewart Dec. at ¶ 3. Luxottica has also filed suit against hundreds of online marketplace operators using the WAYFARER Trademark to sell unauthorized products. *Id.* See also *Luxottica Group S.p.A. v. Chen Xiaomin, et al.*, No. 15-cv-6197 (N.D. Ill. Feb. 1, 2016); *Luxottica Group S.p.A. v. Li Hui, et al.*, No. 15-cv-6977 (N.D. Ill. Sep. 29, 2015); *Luxottica Group S.p.A. v. Zhang Yufeng, et al.*, No. 15-cv-8245 (N.D. Ill. Nov. 10, 2015); *Luxottica Group S.p.A. v. Yiyi Zhang, et al.*, No. 15-cv-9700 (N.D. Ill. Jan. 12, 2016). Accordingly, there is no issue of material fact that Defendant's use of the WAYFARER Trademark was not fair use.

II. LUXOTTICA IS ENTITLED TO A LARGE STATUTORY DAMAGES AWARD

Luxottica's request for entry of an award of at least ninety thousand dollars (\$90,000) is well within the range for statutory damages of up to \$200,000 per counterfeit mark authorized by 15 U.S.C. § 1117(c)(2) for non-willful counterfeiting and well below the provided \$2 million maximum authorized by 15 U.S.C. § 1117(c)(2) for willful counterfeiting. As shown in Luxottica's Memorandum [70] in Support of its Motion for Summary Judgment, this amount is reasonable in light of prior awards against Internet-based counterfeiters, the value of the WAYFARER Trademark, steps taken by Luxottica to protect its trademarks and to sufficiently deter Defendant and similarly situated online counterfeit sellers. See *Bulgari, S.p.A. v. Zou Xiaohong, et al.*, 2015 U.S. Dist. LEXIS 140606, at *7 (awarding \$100,000 for five units or \$2.50 gross profits in represented sales); *Luxottica USA LLC v. The Partnerships, et al.*, 2015

U.S. Dist. LEXIS 78961, at *7-10 (N.D. Ill. June 18, 2015) (\$150,000 awarded for 106 units sold or \$820 in represented sales).

A. Defendant Willfully Counterfeited the WAYFARER Trademark

Defendant's use of the WAYFARER Trademark had to be willful, because Defendant knew it was infringing the WAYFARER Trademark or, at a minimum, had a reckless disregard for Luxottica's rights. For willful infringement, knowledge need not be proven directly, but can be inferred from a defendant's conduct. *Lorillard Tobacco Co.*, 2004 U.S. Dist. LEXIS 22563 at *20; *Monster Energy Company v. Meng Chun Jing, et al.*, 2015 U.S. Dist. LEXIS 86956, at *10 (N.D. Ill. July 6, 2015).

i. The WAYFARER Trademark Is Well Known and Highly Valuable

Defendant's use of the WAYFARER Trademark had to be willful because the WAYFARER Trademark is widely recognized and associated exclusively with Luxottica. *See Monster Energy Company v. Meng Chun Jing, et al.*, 2015 U.S. Dist. LEXIS 86956, at *10 (N.D. Ill. July 6, 2015). As Luxottica's Memorandum [70] in Support of its Motion for Summary Judgment thoroughly documents, Luxottica has built substantial goodwill in the WAYFARER Trademark. *See, e.g.*, [70] at pp. 7-8. For example, WAYFARER sunglasses have been recognized by *CNN*, *The Globe and Mail*, and *Fashionista* as "a classic of modern design," a "hipster staple," "eternal," and "iconic," having "ridden the waves of fashion in timeless style." [73] at ¶ 4. *New York Magazine's The Cut* included the "Ray-Ban Wayfarers" in its collection of the "50 Most Iconic Sunglasses of All Time," stating that the sunglasses were "[a]rguably the most iconic of shades." *Id.*

ii. Defendant Submits No Substantiating or Admissible Evidence of Counterfeiting Investigation Procedures

Defendant maintains that it has “sound business practices and procedures in place to investigate possible infringement issues,” and that it “undertakes many efforts to investigate the kinds of intellectual property issues in this case.” [86] at pp. 5, 10. To establish these “practices and procedures,” Defendant submits the affidavit of John Z. Sun. [84-1]. The affidavit includes only unsupported statements with no authenticated, substantiating documentary evidence, such as the company policy, documentation of the training and examination system, product review and intellectual property procedures, or a sample employee update. *See* [84-1] at ¶¶ 4, 6, 7.

Further, the affidavit contains a general indication that “[t]o the best of my knowledge, all facts in the response to the Plaintiff’s Motion for Summary Judgment are true and correct.” [84-1] at ¶ 14. Moreover, the “facts” in the affidavit have not been individually attested to, nor has the affiant specifically stated that he has personal knowledge of each of those “facts.” Affiant’s qualification that his statements are true to the best of his knowledge indicates that Affiant does not have personal knowledge of the statements contained in the affidavit and could not, therefore, competently testify as to the statements in the affidavit. Fed. R. Evid. 602. Therefore, the affidavit should not be considered by this Court, as it is inadmissible. Fed. R. Civ. P. 56(c)(4) (“An affidavit or declaration used to support or motion a motion must be made on personal knowledge, set out facts that would be admissible in evidence, and that the affiant or declarant is competent to testify on the matters stated.”). Likewise, Defendant submits no substantiating evidence and does not state in its affidavit that it sought the advice of counsel prior to listing the items for sale.

iii. Defendant's Conflicting Affidavits and Familiarity with Trademark Searching

In any event, the affidavit of John Z. Sun in this case affirms that “[t]he Company policy requires employees to confirm any logos or apparent **brand names** appearing on a listing with the USPTO and other trademark databases.” [84-1] at ¶ 4 (emphasis added). Defendant is also operating the Internet store royalwaytrade, which was sued in *Richemont International SA, et al. v. Luo Liang, et al.*, No. 16-cv-01227 (N.D. Ill. Mar. 17, 2016). In that case, John Z. Sun affirmed that “[t]he Company policy requires employees to confirm any logos or **words appearing on a listing** with the USPTO and other trademark databases.” *Richemont International SA, et al. v. Luo Liang, et al.*, No. 16-cv-01227 (N.D. Ill. Mar. 17, 2016) (Docket Entry 58-1 at ¶ 4) (emphasis added). If Defendant's employees did indeed confirm any words appearing on a listing with the USPTO, as affirmed by Defendant in *Richemont*, Defendant's employees would have easily located the WAYFARER Trademark in the USPTO database. Therefore, either Defendant's employees did not check “any words” appearing on a listing with the USPTO or Defendant's employees did check WAYFARER, saw the USPTO registration, and used the WAYFARER Trademark anyway. Either way, Defendant either knew it was infringing the WAYFARER Trademark, or it acted in reckless disregard of Luxottica's widely recognized and famous rights. Therefore, Defendant is a willful counterfeiter.

Defendant also makes note of the eBay Verified Rights Owner (“VeRO”) program, and states that it “has been deemed strong enough to avoid trademark infringement claims in the United States” by *Tiffany (NJ) Inc. v. eBay, Inc.* First, Defendant mischaracterizes the holding of *Tiffany (NJ) Inc. v. eBay, Inc.*, which held that eBay was not directly or contributorily liable for its users' trademark infringement. To the extent Defendant argues that its reliance on Luxottica's VeRO profile “avoids” trademark infringement is not supported by the holding of the

Tiffany case, which did not concern liability of the individual eBay sellers. Defendant seems to argue that because Luxottica does not list every trademark from all of its brands, Defendant had no reason to suspect that it was infringing the WAYFARER Trademark and that this “is impliedly a form of actual notice that wayfarer is not protected.” [86] at pp. 8-9. The Luxottica Retail eBay VeRO page submitted by Defendant⁴ clearly states that the list of trademarks is non-exhaustive. [84-1] at p. 9 (“Luxottica Retail . . . is the owner of several trademarks including, but not limited to”). Luxottica does not have an obligation to list each of its hundreds of trademarks, especially when Defendant admittedly has the knowledge and capability of searching the USPTO database on its own accord. [84-1] at ¶ 4. Accordingly, at a minimum, Defendant acted with an admitted reckless disregard for Luxottica’s widely recognized and famous WAYFARER Trademark, and therefore is a willful counterfeiter.

B. Defendant’s Lack of Sales Evidence and Sales Misrepresentations Support a High Statutory Damages Award

Defendant argues that Luxottica’s actual damages are easy to determine since eBay maintains records of sales transactions and facilitates the record keeping needed to determine the amount of damages. [86] at p. 12. First, it is Luxottica’s election whether to pursue actual damages or statutory damages, regardless of what information is allegedly available. *Lorillard Tobacco Co. v. S&M Cent. Serv. Corp.*, 2004 U.S. Dist. LEXIS 22563, *16-17 (N.D. Ill. Nov. 5, 2004) (“Congress has provided the option of statutory damages . . . and Lorillard has elected to pursue that remedy. . . . Furthermore, the actual damages incurred by Lorillard are of lesser concern in determining a proper damage award because Congress’ decision to allow statutory damages under 15 U.S.C. § 1117(c) was in direct recognition of the fact that the calculation of the actual damages may be difficult, if not impossible, to determine.”). Second, while Courts

⁴ Attachment VI submitted by Defendant is not authenticated by the Affidavit of John Z. Sun, and is also, therefore, inadmissible.

may look to the size and scope of a defendant's operations to determine a baseline for damages, "there is no necessary mathematical relationship between the size of a statutory damages award and the extent or profitability of the defendant's wrongful activities." *Luxottica USA LLC v. The Partnerships, et al.*, 2015 U.S. Dist. LEXIS 78961, at *6 (internal quotations omitted).

Even though Defendant states that records are readily available, Defendant does not submit any evidence regarding its purported single sale. [86] at p. 12 ("Defendant disclosed this sale to Plaintiff's counsel"). This representation also plainly contradicts the sales figures displayed on the Defendant Internet Stores. [72-2] at p. 3 ("8 sold"); [72-3] at p. 3 ("40 sold"); [72-4] at p. 3 ("1 sold"). Defendant also does not provide evidence that it searched its other products to verify that its other items were non-infringing, or otherwise provide any evidence regarding products sold. Accordingly, Luxottica disputes Defendant's assertion that it only sold one (1) product using the WAYFARER Trademark.

Defendant has also concealed the full extent of its business operation. For example, Defendant states that it "only sells on eBay." [86] at p. 12. However, the account information for Defendant's PayPal accounts indicates that the business name for the account is "STRADE FAREAST LIMITED," matching the company name affirmed by Defendant in the affidavit of John Z. Sun. Martin Declaration at ¶ 5; [84-1] at ¶ 1. The account information page further shows that the business URL for STRADE FAREAST LIMITED and Defendant's PayPal accounts is the website at suntekstore.com. *Id.* The website at suntekstore.com offers numerous products for sale, including sunglasses which are listed as one of the "Hot Searches" at the top of the page. *Id.* at ¶ 6. Therefore, Defendant misrepresented to this Court that it only sells on eBay and has concealed the full extent of its operation. In its Memorandum in Opposition [86], Defendant argues that it is not the "intentional counterfeiter that the Trademark Counterfeiting

Act, Anticounterfeiting Consumer Protection Act and more recent legislation were crafted to protect the public from.” [86] at p. 5. However, the option for statutory damages was added by the Anti-Counterfeiting Consumer Protection Act of 1996 due to Congress’ concern that a counterfeiter might “hide, alter, or destroy records, thus making it impossible for a plaintiff to determine the scope of, or be able to prove, actual damages.” *Lorillard Tobacco Co. v. S&M Cent. Serv. Corp.*, 2004 U.S. Dist. LEXIS 22563 at *9.

C. Statutory Damages Cases Cited by Defendant Are Distinguishable

In support of its argument for a minimal statutory damages award, Defendant cites non-controlling case law involving application of statutory damages for the Cable Communications Policy Act and the Copyright Act. *See Joe Hand Promotions, Inc. v. Hernandez*, 2004 U.S. Dist. LEXIS 12159 (S.D.N.Y. June 30, 2004); *Doehrer v. Caldwell*, 1980 U.S. Dist. LEXIS 10713 (N.D. Ill. 1980). The trademark counterfeiting cases cited by Defendant in support involved defendants operating single brick-and-mortar stores. These cases are distinguishable from this case where Defendant had wide market exposure to millions of potential eBay customers and Defendant operated at least four different eBay Defendant Internet Stores and a standalone website (that Luxottica is aware of). [72] at ¶ 2, [71] at ¶¶ 2-4, [70] at p. 6, n.2. *See Coach, Inc. v. Treasure Box, Inc.*, 2014 U.S. Dist. LEXIS 28713, at *4 (N.D. Ind. Mar. 6, 2014) (distinguishing a single brick-and-mortar store from Internet sales); *Coach, Inc. v. Becka*, 2012 U.S. Dist. LEXIS 157311, at *19-20 (M.D. Ga. Nov. 2, 2012) (“Becka was operating out of a single small retail location, and Becka did not sell or advertise the counterfeit items on the Internet”). Accordingly, Defendant’s wide market exposure and the ability to reach a vast customer base over the Internet merits a substantial statutory damages award.

Further, the cases cited by Defendant involved a large number of trademarks infringed, and Defendant only emphasizes the statutory damages award per trademark. *See Coach v. Treasure Box, Inc.*, 2014 U.S. Dist. LEXIS 28713, at *4 (N.D. Ind. Mar. 6, 2014) (awarding \$3,000 per trademark, for a total award of \$45,000); *Coach, Inc. and Coach Services, Inc. v. Becka*, 2012 U.S. Dist. LEXIS 157311 (M.D. Ga. Nov. 2, 2012) (awarding \$2,000 per counterfeit mark, for a total award of \$16,000).

III. LUXOTTICA IS ENTITLED TO ATTORNEY'S FEES AND COSTS

Luxottica respectfully requests entry of an award of its reasonable attorney's fees and costs since Defendant willfully offered for sale and sold products using the WAYFARER Trademark. Since Defendant acted with a reckless disregard for Luxottica's rights, an award of attorney's fees is mandatory under 15 U.S.C. 1117(b), absent extenuating circumstances. 15 U.S.C. § 1117(b); *Tony Jones Apparel, Inc. v. Indigo USA LLC*, 2005 U.S. Dist. LEXIS 14649, *32 (N.D. Ill. July 11, 2005) (citing *Hard Rock Licensing Corp. v. Concession Servs., Inc.*, 955 F.2d 1143, 1151 (7th Cir. 1992)). Defendant cites *Nightingale Home Healthcare, Inc. v. Anodyne Therapy*, which concerns attorney fees pursuant to Section 1117(a) in a Lanham Act trademark infringement case. 626 F.3d 958, 960 (7th Cir. 2010). *Nightingale* does not concern attorney fees pursuant to Section 1117(b) in cases involving counterfeit marks.

CONCLUSION

Based on the above and as set forth in Luxottica's Memorandum in Support of its Motion for Summary Judgment [70], Luxottica respectfully requests that this Court grant Luxottica's Motion [69], enter summary judgment in favor of Luxottica and against Defendant, and award at least \$90,000 in statutory damages.

Dated this 10th day of May 2016.

Respectfully submitted,

/s/ Justin R. Gaudio

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CERTIFICATE OF SERVICE

I hereby certify that on the 10th day of May 2016, I will electronically file the foregoing with the Clerk of the Court using the CM/ECF system. The CM/ECF system will send a “Notice of E-Filing” to the attorneys of record in the case.

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